



Department of Justice

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UNITED STATES ATTORNEY'S OFFICE ANNOUNCES SENTENCE IN DEPARTMENT OF VETERANS AFFAIRS THEFT

Woman sentenced for theft of \$90,000 over six year period

PRESS RELEASE

INDIANAPOLIS – Josh J. Minkler, the Acting United States Attorney, announced today the sentencing of a former Indianapolis woman for theft of government money. Rhonda F. Reddy, 59, was sentenced to five months in the Bureau of Prisons, then five months on home detention by U.S. District Judge Tanya Walton Pratt.

“When individuals steal from the organization that represents our veterans, who selflessly give to the service of our country, it gravely concerns me,” said Minkler. “My office will not sit idly by and allow this sort of theft to go unpunished.”

Rhonda F. Reddy held a joint bank account at Chase Bank in Indianapolis with her mother, Dorothy M. Reddy, who was an authorized Department of Veterans Affairs (VA) spousal benefits recipient. Dorothy was entitled to VA benefits until her death based upon the circumstances of the death of her veteran husband. These benefits are not transferrable to anyone else and expired upon Dorothy's death.

When Dorothy died in December 2007, Rhonda Reddy did nothing to notify the VA of the death and accordingly, the benefits continued to be transmitted into the bank account on a monthly basis. Reddy began using the funds for herself and continued to do so until September 2013, when the VA conducted a death match based upon Social Security Administration data and verified the death of the mother. The loss to the VA is \$90,600, based upon the funds received by Rhonda Reddy from after her mother's death until the VA terminated payments.

According to James M. Warden who prosecuted this case for the government, Reddy must serve two years of supervised release after her prison sentence.

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